THE UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION

LUCKNOW

Petition No. 2285 of 2025

QUORUM

Hon'ble Shri Arvind Kumar, Chairman

Hon'ble Shri Sanjay Kumar Singh, Member

Hon'ble Shri Griesh Kumar Vaish, Member (Law)

IN THE MATTER OF

Petition under Section 86(1)(f) of the Electricity Act, 2003 read with Regulation 57 of the UPERC (Conduct of Business) Regulations, 2019 seeking recovery of additional payment surcharge paid to M/s Obra-C Badaun Transmission Limited in pursuance of the order passed by the Hon'ble Commission on 24.06.2024 in Petition No. 1920/2022 and order dated 28.02.2025 passed by Hon'ble Appellate Tribunal for Electricity, New Delhi (APTEL) in Appeal No. 369 of 2024.

AND

IN THE MATTER OF

Uttar Pradesh Power Transmission Corporation Limited

Through its Superintending Engineer (PPP Cell),

Shakti Bhawan,14, Ashok Marg, Lucknow,

Uttar Pradesh-226001

..... **Petitioner**

VERSUS

1. **Obra -C Badaun Transmission Limited,**
   Through its Managing Director,
   Adani Corporate House, Shantigram, Near Vaishno Devi Circle,
   S.G. Highway, Khodiyar, Ahmedabad, Gujarat-382421

2. **Uttar Pradesh Power Corporation Limited**
   Through its Managing Director
   11th Floor, Shakti Bhawan Extension,
   14 Ashok Marg, Lucknow, Uttar Pradesh – 226001.

..... **Respondents**

THE FOLLOWING WAS PRESENT

1. Md. Altaf Mansoor, Advocate, UPPTCL
2. Sh. Tanay Chaudhary, Advocate, UPPTCL
3. Sh. Sourav Roy, Advocate, OCBTL
4. Sh. Nehul Sharma, Advocate, OCBTL
5. Sh. Manish Dwivedi, CE (PPA), UPPCL
6. Sh. Sanjay Kumar Chaurasia, SE (PPA), UPPCL
7. Sh. Rakesh Kumar, SE, UPPTCL
8. Sh. Shitanshu Yadav, EE, UPPTCL

ORDER

(DATE OF HEARING: 13.10.2026)

1. The Petitioner, Uttar Pradesh Power Transmission Corporation Limited (UPPTCL), has filed the instant petition under Section 86(1)(f) of the Electricity Act, 2003 read with Regulation 57 of the UPERC (Conduct of Business) Regulations, 2019 seeking recovery of additional payment surcharge paid to M/s Obra-c Badaun Transmission Limited (OCBTL) in pursuance of the order passed by the Commission on 24.06.2024 in Petition No. 1920 of 2022 and Order dated 28.02.2025 passed by the Hon'ble Appellate Tribunal for Electricity (APTEL) in Appeal No. 369 of 2024. The Petitioner has made the following prayers:-

   (a) Admit the petition.

   (b) Hold and declare that M/s OCBTL is liable to refund an amount of Rs. 7,16,56,937/- to the Petitioner i.e. UPPTCL.

   (c) Direct the respondent i.e. M/s OCBTL to refund an amount of Rs. 7,16,56,937/- to the petitioner along with interest.

   (d) Pass any such other order(s) as the Hon'ble Commission may deem just and proper in the facts and circumstances of the case.

   (e) Award the cost of the petition in favour of the petitioner.

   (a) deems fit and proper in the circumstances of the case may be passed.

2. The Petitioner had also filed an interim application and had prayed that the Commission may be pleased to issue ad-interim ex-parte directions to

respondent no.1 to refund an amount of Rs. 7,16,56,937/- to the Petitioner along with interest.

Brief Facts of the case

3. Uttar Pradesh Rajya Vidyut Utpadan Nigam Limited (UPRVUNL) owns and operates a Thermal Power Station OBRA -B having a scheduled capacity of 1000 MW and a new Thermal Power Station OBRA-C with installed capacity of 2×600 MW. The energy from the power plants is procured by Long Term Transmission Customers (LTTCs) through Uttar Pradesh Power Company Limited (UPPCL).

4. For evacuation of power from the OBRA-C TPS, a Request for Proposal (RFP) was issued on 05.09.2018 under the Tariff Based Competitive Bidding (TBCB) process. Pursuant thereto, Adani Transmission Limited (ATL) was declared as the successful bidder and was awarded the work for the construction of the evacuation system under the TBCB process. A Share Purchase Agreement (SHA) was executed among ATL, PFC Consulting Limited (PFCCL) and OCBTL, pursuant to which the successful bidder acquired the 100% shareholding of M/s OCBTL as per the terms of the RFP & TSA.

5. Thereafter, OCBTL executed a Transmission Service Agreement (TSA) dated 15.10.2018 with the LTTCs. Under Schedule-3 of the TSA, LOT-2 included construction of the 400 kV Double Circuit Jaunpur-Obra transmission line up to the LILO point of the Obra-B-Obra-C line, identified as Element-9. Under the same arrangement, UPPTCL was required to provide two 400 kV line bays at the 400 kV Jaunpur Substation for termination of Element-9. Subsequently, a Supplementary TSA dated 15.10.2020 was executed, whereby UPPTCL was designated as nominee of the Lead LTTCs during construction of the project. A Connection Agreement was also executed between OCBTL and UPPTCL on 21.10.2020.

6. Upon completion of the project, OCBTL filed a petition before the Commission bearing Petition No. 1920 of 2022 and UPPTCL was arrayed as a respondent in the aforesaid proceedings. OCBTL and the LTTCs contended therein that Element 9 could not be put to use as the downstream network at the 400 kV Jaunpur Substation, falling within the scope of UPPTCL, was not ready.

7. After considering the pleadings and materials placed on record, the Commission, vide order dated 24.06.2024 passed in Petition No. 1920 of 2022, held UPPTCL to be the defaulting entity and determined its liability towards payment of transmission charges along with LPS in accordance with the principle of defaulter's liability.

8. As per Schedule III of the TSA dated 15.10.2018, the schedule commercial operation date (SCOD) of LOT II (Element 9) was 21.02.2021. Therefore, as per Article 4.1 of the TSA, OCBTL was under an obligation to connect to LOT II of Element 9 on or before 21.02.2021. OCBTL had initially indicated availability of Element-9 by 30.04.2022 and subsequently notified 07.06.2022 as the commissioning date of Element-9. Considering the aforesaid fact situation, the Commission in the order dated 24.06.2024 has in para 338 held as under:

> *"338. From above, it is observed that Article 6.1.3(c) emphasizes the need for written approval of Electrical Inspector to be obtained when element is ready from the point of view of safety and can be connected with interconnection facilities. Further on perusal of the language of the Joint Director Electrical Safety communication dated 03.06.2022, it is observed that the energizing clearance was accorded on 03.06.2022 and the same cannot said/interpreted to be granted prior to 03.06.2022. Accordingly, the Commission holds that site visit date of Electrical Inspector cannot be considered as the readiness date for connection whereas, when Petitioner obtained the written approval of Electrical Safety i.e. 03.06.2022 is the date when its element would be considered to be ready for connection and charging thereon. Therefore, the deemed COD is reckoned as 10.06.2022 i.e. after lapse of seven days from the date when it was considered ready for connection/charging. Hence, the Commission holds 10.06.2022 as the date of deemed Commissioning of Element 9 of LOT-2."*

9. Consequent to the aforesaid findings, the Commission held that OCBTL became entitled to transmission charges from the approved deemed COD of Element-9, i.e., 10.06.2022.

10. The Commission further noted that Element-9 was to terminate at the interconnection facilities to be developed by UPPTCL at the 400 kV Jaunpur Substation. Since the said facilities were not available as on the deemed COD and were commissioned subsequently on 26.04.2023, the Commission examined the applicability of the defaulter liability principle in the facts of the case.

11. Accordingly, the Commission held that UPPTCL, being the defaulting entity,

would be liable to bear transmission charges along with LPS from the date of deemed commissioning of Element-9 till commissioning of the downstream terminal bays at Jaunpur Substation. The relevant findings recorded in paragraph 348 of the order dated 24.06.2024 are reproduced below:

> *"348. Considering above, the Commission decides that UPPTCL is the defaulting entity in this case, due to which system developed through TBCB route cannot be put to use and accordingly, it is liable to pay the transmission charges along with LPS from the date of deemed Commissioning upheld by the Commission of Element 9 of LOT-2 till the date of commissioning of downstream terminal bays by UPPTCL at 400 kV Jaunpur substation. After downstream terminal bays are commissioned, LTTCs shall be liable to pay transmission charges as per the TSA. Accordingly, The Petitioner shall raise bills within 15 days in accordance with above directions, UPPTCL and LTTCs as the case may be shall make the payment of the same within forty five days from the date of this order."*

12. The Petitioner submitted that a conjoint reading of the aforesaid paragraphs leads to the conclusion that the Commission, while fastening liability for payment of transmission charges upon it, confined such liability to the period commencing from the deemed COD, i.e., 10.06.2022, and ending on the date of commissioning of the downstream bays, i.e., 26.04.2023.

13. The petitioner herein had assailed the validity of the judgment and order dated 24.06.2024 passed in Petition no. 1920 of 2022 before the Hon'ble APTEL under Section 111 of the Electricity Act, 2003 by filing Appeal no. 369 of 2024.

14. The Hon'ble APTEL vide judgment dated 28.02.2025 dismissed the appeal and upheld the decision of the Commission in Petition No. 1920 of 2022.

15. The Petitioner further submitted that the Commission, by the same Order dated 24.06.2024, had also imposed defaulter's liability upon UPRVUNL. UPRVUNL preferred Appeal No. 357 of 2024 before the Hon'ble APTEL, which was also dismissed vide judgment dated 28.02.2025.

16. In view of the aforesaid, the Petitioner submitted that its liability towards payment of transmission charges stood confirmed for the period from 10.06.2022 to 26.04.2023, along with LPS as provided in paragraph 348 of the Commission's Order.

17. The Petitioner referred to the definition and treatment of LPS under Article 10 of the TSA dated 15.10.2018, which provides as under:

"Late payment surcharge" shall have the meaning ascribed thereto in article 10.8 Article 10 of the TSA relates to billing in payment of transmission charges, Article 10.8 defines surcharge as under: -
10.8 Surcharge
10.8.1- Any amount due from one party to the other, pursuant to this agreement and remaining unpaid for thirty (30) days after the due date, shall bear late payment surcharge @ 1.25% per month on the unpaid amount. Such late payment surcharge shall be calculated on simple rate basis and shall accrue from the due date until the amount due is actually received by the payee."

18. Under the aforesaid provision, LPS becomes payable only when the amount remains unpaid for thirty days after the due date and after receipt of the relevant invoice. In the present case, according to the Petitioner, the invoices were received by it only after passing of the Commission's Order dated 24.06.2024. It was further submitted that the said Order expressly provided for payment of LPS from the date of deemed commissioning.

19. By virtue of the Order dated 24.06.2024, its liability towards transmission charges as well as LPS was limited to the period from 10.06.2022 to 26.04.2023 and that liability for the period thereafter fell within the purview of the LTTCs.

20. After passing of the Order dated 24.06.2024, OCBTL, through its covering letter dated 03.07.2024, raised two invoices upon UPPTCL: one towards monthly transmission charges amounting to Rs. 3,44,58,925/- and another towards LPS amounting to Rs. 11,70,70,970/-, aggregating to Rs. 15,15,29,895/-. The aforesaid invoices disclosed that LPS had been calculated for the period from 10.06.2022 to 30.06.2024.

21. Upon receipt of the letter and invoices dated 03.07.2024, the Petitioner disputed the same vide letter dated 07.08.2024 and informed OCBTL that the downstream element falling within its scope had already been commissioned on 26.04.2023 and, therefore, requested that the invoices be suitably revised.

22. OCBTL issued revised invoices vide letter dated 06.09.2024, aggregating to approximately Rs. 45.66 crore, inclusive of transmission charges and LPS.

23. On 09.09.2024, OCBTL again requested the petitioner to make payment of the transmission charges and offered to furnish an undertaking that the amount paid by the Petitioner would be refunded with interest in the event the Commission's decision was subsequently modified or overturned.

24. The Petitioner maintained that the LPS liability fastened upon it by the Order dated 24.06.2024 was confined to the period from 10.06.2022 to 26.04.2023. It alleged that OCBTL had, nevertheless, claimed LPS for the period from 10.06.2022 to 31.07.2024, contrary to the Commission's decision.

25. Following dismissal of Appeal No. 369 of 2024 by the Hon'ble APTEL on 28.02.2025, the Petitioner paid Rs. 36,86,28,899/- towards monthly transmission charges for the period from 10.06.2022 to 26.04.2023 and Rs. 1,36,42,902/- towards LPS, both under protest. The said payments were made vide UTR No. ICICR42025030100000901 dated 01.03.2025 and were communicated to OCBTL through letter dated 01.03.2025.

26. OCBTL, vide letter dated 07.03.2025, appropriated the amounts paid by the Petitioner first against the LPS claimed by OCBTL and thereafter raised an additional demand of Rs. 10,70,16,305/- towards monthly transmission charges.

27. The Petitioner alleged that OCBTL, by appropriating the payment in the aforesaid manner and indicating further accrual of LPS, had compelled the Petitioner to make an additional payment.

28. Accordingly, on 28.03.2025, the Petitioner paid a further amount of Rs. 10,70,16,305/- under protest vide UTR No. ICICR42025032800004511 dated 28.03.2025. The Petitioner submitted that the said payment was made only to avoid further LPS demands being raised by OCBTL.

29. The petitioner, vide letter dated 29.04.2025, informed OCBTL of the alleged excess LPS payment. Relying upon paragraph 348 of the Order dated 24.06.2024, the Petitioner asserted that its liability towards LPS was confined to the period between deemed commissioning of Element-9 and commissioning of the downstream interconnection facilities. The Petitioner, therefore, demanded refund of Rs. 7,16,56,937/- within thirty days together with applicable interest.

30. OCBTL replied vide letter dated 08.05.2025, denying the computation furnished by the Petitioner and relying upon its consultant's report concerning payment of transmission charges and applicable LPS.

31. The Petitioner again addressed a letter dated 15.05.2025 to OCBTL seeking refund of the alleged excess LPS. It was further clarified that the fact that

UPRVUNL may have paid LPS up to the actual date of payment could not, by itself, govern the interpretation of the Commission's Order in the present case.

32. In an attempt to resolve the dispute amicably, the Petitioner, vide letter dated 13.06.2025, again requested OCBTL to refund the alleged excess amount and proposed a reconciliation meeting.

33. The reconciliation meeting was held on 02.07.2025. The Petitioner submitted that its contentions were not accepted by OCBTL, which maintained its stand regarding the invoices and computation of LPS, and consequently no amicable settlement could be reached.

34. The Petitioner submitted that, in the aforesaid factual background, the dispute arising for consideration relates to the period for which LPS is payable under the Commission's Order dated 24.06.2024.

Respondent No:1 (OCTBTL) Reply dated 23.02.2026

35. OCBTL opposed the Petitioner interpretation that its liability towards LPS ceased on 26.04.2023. It submitted that the said date determined the period for which the underlying transmission charges were attributable to UPPTCL; however, LPS upon those unpaid charges continued until actual payment.

36. OCBTL relied upon the Commission's order dated 24.06.2024 and submitted that the Connection Agreement was executed in furtherance of the TSA; UPPTCL had a clear mandate to provide the interconnection facilities; and UPPTCL was held to be the defaulting entity. According to OCBTL, the defaulter liability principle shifted to UPPTCL the payment obligations and consequences of delayed payment that would otherwise have fallen upon the LTTC.

37. OCBTL submitted that the Petitioner's case proceeds on the assertions that: (i) its LPS liability was restricted to 26.04.2023; (ii) OCBTL had resorted to arm-twisting by appropriating payments first towards LPS; and (iii) OCBTL had been unjustly enriched by allegedly retaining excess LPS of Rs. 7,16,56,937/-. According to OCBTL, the aforesaid contentions are based upon an erroneous interpretation of the Commission's directions and settled principles governing delayed payment surcharge and time value of money.

Liability of Petitioner to pay LPS for the disputed period

38. OCBTL submitted, through the present Petition, UPPTCL seeks to evade the liability of payment of LPS for the period from commissioning of downstream facilities by UPPTCL till the actual date of payment, which is against the fundamental principles of law. In support of the nature and purpose of LPS, OCBTL relied upon the following jurisprudence:

(i) Judgment dated 28.07.2025 in Appeal No. 107 of 2022 titled as M/s Rosa Power Supply Co. Ltd. v. UPPCL & Anr.:

*"53----- . **The incidence of LPSC arises in case of nonpayment of tariff bills by a procurer or a consumer before the due date. It is a penalty levied for delayed payments of electricity bills and thus, separate from the standard charges for consumption. There won't arise occasion for charging LPSC in case the procurer pays the tariff bills of the generating company on or before the due date. Therefore, LPSC is a separate charge applied only when the procurer fails to pay tariff bills by the due date. It is designed to compensate the generating company for the cost of delayed payment and the risks associated with it.**"*

(ii) Judgment dated 02.11.2020 in Appeal No. 10 of 2020 titled as Power Company of Karnataka Limited & Anr. v. Udupi Power Corporation Ltd. & Ors.:

*"93. From the above facts, and bearing in mind the operations of the generator of electricity, as indeed the philosophy and rationale of the Tariff Regulations, **we conclude that the Late Payment Surcharge is imposed to restitute the party burdened with excessive working capital requirement due to delay in payments and, therefore, it is dependent or linked to the working capital regulation**. The generator cannot claim LPS for delay up to the period covered in working capital provision. The applicability of LPS starts only after the period covered by working capital has elapsed. **The reason is plain - if LPS is not paid, it would erode the return on equity violating the letter and spirit of Section 61 Electricity Act.**"*

The above Judgment was also been upheld by the Hon'ble Supreme Court in Civil Appeal No. 32 of 2021 vide Order dated 08.02.2022.

(iii) Maharashtra State Electricity Distribution Co. Ltd. v. Maharashtra ERC, reported in (2022) 4 SCC 657:

*"176. **The object of LPS is to enforce and/or encourage timely payment of charges by the procurer i.e. the appellant. In other words, LPS dissuades the procurer from delaying payment of charges**."*

39. The Respondent submitted that it is evident from the above precedents, that

Late Payment Surcharge (LPS) is a penal charge imposed to restitute the party burdened with excessive working capital requirement due to delay in payments. Applying the above principle in the facts of the present case, it is clear that when OCBTL suffered delay in receipt of monthly transmission charges for the period commencing from deemed COD of Element-9 of LOT-2 due to unavailability of downstream facilities by the Petitioner/ UPPTCL, it follows that LPS shall be levied for such payments for time period till actual payments were made by the Petitioner.

40. OCBTL further relied upon Articles 10.1, 10.6 and 10.8 of the TSA relating to billing and payment of transmission charges and LPS, and submitted that:

    (i) TSA provisions for payment of invoices related to Monthly Transmission Charges within the Due Date;

    (ii) In case of delay in payment of transmission charges beyond the Due Date, a LPS is leviable in terms of Article 10.8 of the TSA; and

    (iii) Further, in case of payments made by LTTCs, such payment is to be first appropriated towards the LPS.

41. It was submitted that the Commission's order dated 24.06.2024, read together with the TSA, clearly fastens liability upon UPPTCL for payment of transmission charges and associated LPS. According to OCBTL, the Petitioner is seeking to arbitrarily restrict LPS up to 26.04.2023 notwithstanding that payment was actually made in March 2025.

42. OCBTL further submitted that under the settled principle of defaulter liability, the defaulter bears not only the payment obligation but also the consequences of delayed payment which would otherwise have fallen upon the beneficiaries.

43. According to OCBTL, insofar as transmission charges for the period from 10.06.2022 to 26.04.2023 are concerned, UPPTCL stepped into the shoes of the LTTCs and therefore became liable not merely for the transmission charges but also for the consequential LPS till actual realization of such charges.

44. It was further submitted that restricting LPS only up to the date on which the downstream facilities were commissioned would defeat the very object of the defaulter liability principle and result in unjustified exclusion of the consequences of delayed payment.

45. OCBTL contended that UPPTCL, while accepting liability for transmission charges till 26.04.2023, cannot deny the consequence of delayed payment of those very charges. Reliance in this regard was placed upon the following judgments:

    i. *Amar Singh v. Union of India*, reported in *(2011) 7 SCC 69* [Para 50];
    ii. *Joint Action Committee of Air Line Pilots' Assn. of India v. DGCA*, reported in *(2011) 5 SCC 435* [Para 12];
    iii. *Suzuki Parasrampuria Suitings (P) Ltd. v. Official Liquidator*, reported in *(2018) 10 SCC 707* [Para 12 to 14];
    iv. *PR Deshpande v. Maruti Balaram Haibatti*, reported in *(1998) 6 SCC 507* [Para 8 and 9];
    v. *Mumbai International Airport Pvt. Ltd. v. Golden Chariot Airport & Ors*, reported in *(2010) 10 SCC 422* [Para 55 to 65].

46. In view of the aforesaid established jurisprudence delineating the entitlement and continuity of LPS obligations, it was submitted that the Petitioner was, at all material times, liable to pay LPS to OCBTL with effect from 10.06.2022, being the date of the approved deemed of commissioning of Element 9 of LOT-2, until the date of actual repayment made by the Petitioner.

47. Regarding the Petitioner's contention that LPS was payable only upto 26.04.2023 *(i.e., the date on which downstream facilities were made available)* and not till actual payments were made by UPPTCL *(i.e., March 2025)*, OCBTL submitted that in case the above is given effect, the same would lead to an anomalous situation where the Petitioner may indefinitely delay in making payments towards transmission charges, thereby defeating the purpose of levy of LPS by the Commission vide its order dated 24.06.2024.

48. OCBTL submitted that when a certain time limit has been prescribed for making payments, any payments made thereafter would be subject to interest. Therefore, when a person is deprived of use of money to which he is legally entitled to, that person has a right to be compensated by way of interest, which continues to accrue till the date of repayment or a date which may be specified by the courts. To corroborate the same, reliance was placed on the following decisions:

    (i) Central Bank of India v Ravindra, reported in (2002) 1 SCC 367:

(ii) Chairman, TNEB & Another v. Indian Wind Power Association and Others in Appeal No. 11 of 2012 dated 17.04.2012:

(iii) Tamil Nadu Generation and Distribution Company Ltd. v. T.T. Industries Ltd., reported in (2017) 15 SCC 550:

The Hon'ble Supreme Court, in *Central Bank of India v. Ravindra*, reported in *(2002) 1 SCC 367*, while expounding the legal principles governing the nature and accrual of interest, unequivocally held that interest runs from the date the amount becomes due and continues to run until payment, unless the Court, by specific order, curtails such period. OCBTL submitted that applying the ratio of the said judgment to the facts of the present case, the liability of the Petitioner to pay LPS subsists from 10.06.2022 and continues uninterrupted until the date of actual payment or realization by OCBTL. It was further submitted that in the absence of any judicial or regulatory pronouncement curtailing such period, the accrual of LPS till the date of payment is a matter of settled legal principle, rendering the Petitioner's contrary assertions as baseless and untenable.

49. The Petitioner's contention that the latter period of delayed payment ought to be excluded from the computation of LPS militates against the very object and rationale of LPS, which was to ensure timely payment and compensate the entity for the money withheld beyond the due date.

50. Furthermore, it was also submitted that non-payment of LPS by the Petitioner constitutes a continuing breach of its statutory obligations and consequently, gives rise to a continuing source of injury until the date of actual repayment. As such, each instance of default in payment of LPS imposes an additional working capital and financing burden on the receiving party for as long as the underlying dues remain unpaid, thereby ensuring that the breach was not confined to a single point in time but persists on a day-to-day basis.

51. Reliance in this regard is also placed upon the Hon'ble APTEL's judgment dated 02.11.2020 passed in *Appeal No. 10 of 2020 & Batch*, titled as *Power Company of Karnataka Limited & Anr. v. Udupi Power Corporation Ltd. & Ors.*, wherein it was held that LPS is a continuing breach, accruing till the date of repayment by the defaulting entity. The same also been upheld by the Hon'ble Supreme Court by way of the judgment dated 08.02.2022 in Civil Appeal No. 32 of 2021.

52. In view of the above, the Petitioner's non-payment of LPS till 28.03.2025 reflected the character of a recurring and ongoing breach for every day that the dues (*i.e., transmission charges*) remained outstanding. The Petitioner cannot, therefore, seek to extinguish its LPS liability by treating its default as a timed event, as unless and until the entire outstanding amount is discharged in full, the breach continues and the consequential liability to pay LPS subsists.

53. Aiding the above submissions, OCBTL also placed reliance on the legal maxim *"Ubi Jus Ibi Remedium"* meaning that where there is a right, there is a remedy. In the present case, Respondent has two rights, firstly, the right to receive transmission charges, and secondly, the right to receive transmission charges in time, and in case of delay, LPS was levied for delay in payment of transmission charges, till the time payment is made. As such, considering that the payment was made in a belated manner, the Respondent ought to be paid LPS till such payment was actually paid. It thus follows that the remedy of the Respondent cannot be denied in the present case.

54. Relying upon Section 61 of the Electricity Act, 2003, OCBTL submitted that commercial principles governing the electricity sector require recognition of interest and LPS for deferred recoveries till actual realization.

55. OCBTL also invoked the maxim Actus Curiae Neminem Gravabit and submitted that pendency of litigation cannot deprive it of the benefit of LPS for the period during which dues remained unpaid.

56. On the aforesaid basis, OCBTL submitted that the Petitioner's claim of excess recovery is misconceived and that UPPTCL remained liable to pay LPS from 10.06.2022 till actual payment of the dues.

UPPTCL's allegation regarding adjustment of LPS and unjust enrichment by the Respondent

57. OCBTL further submitted that it is a settled principle that payments made by a defaulting entity are required to be appropriated first towards LPS and, thereafter, the balance amount is to be adjusted towards the principal dues, beginning with the longest overdue bill. In support of the aforesaid contention, OCBTL relied upon the following orders passed by the Central Electricity Regulatory Commission:

i. Order dated 07.08.2025 passed in Petition No. 347/MP/2023 titled as Wind Three Renergy Limited v. PTC India Limited & Anr. [Paras 15 to 18]; and

ii. Order dated 23.09.2023 passed in Petition No. 239/MP/2019 titled as THDC India Limited v. BSES Yamuna Power Limited [Para 64].

58. Relying upon the aforesaid orders, OCBTL submitted that even where an agreement does not expressly prescribe the manner of appropriation of payments in the context of LPS, the decisions of the CERC, read with the Electricity (Late Payment Surcharge) Rules, 2021 and the Electricity (Late Payment Surcharge and Related Matters) Rules, 2022, recognise that payments made by a defaulting entity are to be adjusted first towards LPS and the balance thereafter towards the monthly charges, beginning with the longest overdue bill.

59. With regard to UPPTCL's contention that it was not a party to the TSA, OCBTL submitted that the issue had already been considered and determined by the Commission in its order dated 24.06.2024. OCBTL submitted that the Commission had recognised UPPTCL's mandate to provide interconnection facilities at the 400 kV Jaunpur Substation and had established its nexus and privity with the TSA through the Connection Agreement dated 21.10.2020.

60. Since the Commission's order dated 24.06.2024 was upheld by the Hon'ble APTEL vide judgment dated 28.02.2025 in Appeal No. 369 of 2024, OCBTL contended that the issue had attained finality and could not be reopened by UPPTCL in the present proceedings.

61. In view of the aforesaid submissions, OCBTL prayed that the present petition be dismissed.

Respondent No: 2 (UPPCL) Reply dated 18.02.2026

62. UPPCL in its reply submitted that the Commission, vide ROP dated 23.12.2025 passed in the present matter, had observed that although UPPCL had not been formally impleaded as a party, a response was required from UPPCL. Accordingly, the Commission directed the Petitioner to implead UPPCL and amend the memo of parties.

63. UPPCL further submitted that the present dispute pertains to recovery of additional LPS by OCBTL from UPPTCL pursuant to the orders passed in the

matter. According to UPPCL, although the TSA was executed between OCBTL and UPPCL, the issue relating to recovery or non-recovery of the disputed LPS amount does not concern the role of UPPCL as the procurer under the TSA.

64. UPPCL accordingly submitted that the present dispute may be decided by the Commission in accordance with the terms and conditions of the TSA and the observations made by the Hon'ble APTEL.

The Petitioner (UPPTCL) Rejoinder dated 27.04.2026

65. UPPTCL submitted that the dispute in the instant matter is a short one pertaining to the interpretation of the decision of the Commission in application of the Defaulters Liability Principle.

66. UPPTCL submitted that the case set up by OCBTL in its reply is primarily two-fold. Firstly, the Defaulters Liability Principle casts the liability of payment of transmission charges on the petitioner and as such, the petitioner is liable to pay transmission charges along with LPS. Secondly, the TSA provides for payment of transmission charges in the manner in which the same are payable.

67. UPPTCL submitted that it was never a party to the TSA and, therefore, did not have any liability thereunder for payment of transmission charges. According to UPPTCL, it has been the consistent stand of OCBTL itself that a person who is not a party to the TSA is not bound by its terms and conditions. UPPTCL contended that it is a settled proposition of law that contracts and agreements inter se bind only the signatories thereto and the terms and conditions thereof cannot be imposed, nor liabilities enforced, against persons who are not parties to such agreements.

68. According to UPPTCL, the Commission vide order dated 24.06.2024, while exercising its regulatory powers, held it liable for payment of transmission charges on account of non-availability of the 400 kV Jaunpur Substation and consequently treated it as the defaulting entity.

69. UPPTCL submitted that the argument advanced by OCBTL is that once the defaulters liability principle is applied, UPPTCL would become liable to all other terms and conditions of the TSA. In the reply filed on behalf of respondent no. 1. heavy reliance has been placed on the provisions of the TSA pertaining to

LPS. The aforesaid provisions would have no relevance to play in the instant matter as the terms and conditions of an agreement are applicable to the parties to the agreement. As has been stated the liability for payment of transmission charges to respondent no. 1 by the petitioner is not one which has arisen out of any contractual relationship between the parties but one which has been cast on the petitioner due to the passing of the order dated 24.06.2024 in petition number 1920 of 2020. Therefore, the express provisions of the TSA would have no role to play in the adjudication of the instant matter.

70. Since the liability for payment on the UPPTCL was fixed through a judicial order, the payment to be made by UPPTCL has to be made strictly in terms of the judicial order, and no room for interpretation exists therein.

71. -UPPTCL further referred to Article 10 of the TSA and submitted that even under the TSA, LPS becomes payable only where the amount remains unpaid for thirty days after the due date and after receipt of invoices.

72. UPPTCL denied OCBTL's contention that it is privy to all terms and conditions of the TSA. According to UPPTCL, while the Commission may impose liability under the Defaulter's Liability Principle, such exercise of regulatory power does not make UPPTCL a party to the TSA nor does it amount to amendment of the TSA.

73. UPPTCL further submitted that the decisions relied upon by OCBTL, namely M/s Rosa Power Supply Co. Ltd. v. UPPCL & Anr., Power Company of Karnataka Limited & Anr. v. Udupi Power Corporation Ltd. & Ors. and Maharashtra State Electricity Distribution Co. Ltd. v. Maharashtra ERC, explain the philosophy behind levy of LPS but do not apply to the facts of the present case. According to UPPTCL, liability for payment of transmission charges was never cast upon it at the time of execution of the TSA and arose only by virtue of the judgment and order dated 24.06.2024.

74. UPPTCL contended that prior to passing of the Order dated 24.06.2024, it had no liability to make any payment and, therefore, it cannot be argued that invoices remained unpaid by UPPTCL during the earlier period relied upon by OCBTL.

75. UPPTCL denied OCBTL's reliance upon Section 61 of the Electricity Act, 2003 and submitted that the said provision contains only guiding principles for tariff

determination and regulation-making and has no relevance to the present dispute. UPPTCL further submitted that the said provision has been held to be non-mandatory in nature.

76. UPPTCL further submitted that mere pendency of proceedings before the Hon'ble APTEL cannot be relied upon by OCBTL as a ground to enlarge liability beyond what was specifically imposed by the Commission.

77. UPPTCL finally reiterated that it has sought to make payment strictly in accordance with the Order dated 24.06.2024, whereas OCBTL is attempting to recover additional amounts by taking shelter under provisions of the TSA which, according to UPPTCL, are inapplicable since UPPTCL was never a party thereto. Accordingly, UPPTCL prayed that the reliefs sought in the petition be allowed.

The Commission Hearing dated 13.10.2026

78. During the hearing, Md. Altaf Mansoor, Learned Counsel for the Petitioner, submitted that the present dispute arises out of the Commission's earlier order dated 24.06.2024 concerning the Obra-C transmission system, under which the downstream terminal bays at the 400 kV Jaunpur Substation were to be constructed by the Petitioner. He submitted that, as recorded in paragraph 338 of the order dated 24.06.2024, Element-9 of LOT-2 was deemed to have been commissioned with effect from 10.06.2022.

He referred to paragraph 348 of the order dated 24.06.2024 and submitted that the Commission had held the Petitioner to be the defaulting entity on account of non-commissioning of the downstream terminal bays at the 400 kV Jaunpur Substation. Accordingly, the Petitioner was held liable to pay transmission charges along with LPS from the date of deemed commissioning of Element - 9 of Lot-2 until commissioning of the downstream terminal bays. He submitted that the said bays were subsequently commissioned on 26.04.2023 and, therefore, the period of default attributable to the Petitioner was from 10.06.2022 to 26.04.2023.

He further referred to the direction contained in paragraph 348 of the said order, whereby the transmission licensee was required to raise the bills within 15 days and the Petitioner/LTTCs, as the case may be, were directed to make payment within 45 days from the date of the order. He submitted that the liability of the

Petitioner was determined for the first time through the said order and that no invoice had previously been raised upon the Petitioner, as the invoices had earlier been raised upon UPPCL.

He submitted that as the Commission's order was passed on 24.06.2024, the period of 45 days granted for payment expired on 08.08.2024. According to him, the default attributable to the Petitioner had already ceased on 26.04.2023 upon commissioning of the downstream bays. Therefore, while the Petitioner accepted its liability towards transmission charges and LPS for the period of default from 10.06.2022 to 26.04.2023, however, it contested that no LPS could be levied for the intervening period from 26.04.2023 to 08.08.2024.

He further submitted that the Commission's order dated 24.06.2024 was challenged before the Hon'ble APTEL and the payment was ultimately made on 01.03.2025. He submitted that the Petitioner had made the entire payment under protest. According to him, LPS could arise after expiry of the period of 45 days granted by the Commission, but the Petitioner could not be saddled with LPS for the intervening period during which it was no longer in default. He stated that the disputed LPS for such period was more than Rs. 7 crore.

79. Upon a query from the Commission as to what portion of the earlier order had been challenged before the Hon'ble APTEL, Learned Counsel for the Petitioner submitted that the challenge was against the finding holding the Petitioner liable on the principle of default liability.

80. Sh. Sourav Roy, Learned Counsel for OCBTL, submitted that the present claim seeks refund of LPS alleged to have been paid in excess. He submitted that there is no dispute that Element No. 9 was deemed commissioned on 10.06.2022 and that the downstream bays at Jaunpur Substation were commissioned on 26.04.2023. Since transmission charges were not paid from the date of deemed commissioning, OCBTL had approached the Commission in Petition No. 1920 of 2022, seeking approval of deemed commissioning and payment of monthly transmission charges along with LPS.

He submitted that, by order dated 24.06.2024, the Commission held the Petitioner herein to be the defaulting entity. It also held the Petitioner liable to pay transmission charges along with LPS from the date of deemed

commissioning until the commissioning of the downstream terminal bays. The said order was challenged before the Hon'ble APTEL, and payment was ultimately made on 01.03.2025, after the appeal was dismissed.

It did not extinguish the liability towards LPS on the outstanding transmission charges. He submitted that LPS would continue to accrue until the date of actual payment, i.e., 01.03.2025, since the transmission charges payable from 10.06.2022 onwards remained unpaid until 01.03.2025.

81. During the hearing, the Commission asked why the LPS provisions of the TSA should apply to the Petitioner, given that the Petitioner was not a party to the TSA. In response, Learned Counsel for OCBTL submitted that the Petitioner itself did not dispute its liability to pay LPS for the period from 10.06.2022 to 26.04.2023, and was relying on the TSA to determine that liability. According to him, the Petitioner could not rely on the TSA for one part of the period while denying its applicability to the remaining period

82. Learned Counsel for OCBTL further submitted that, at best, the Petitioner could seek exclusion of the 45-day period from 24.06.2024 to 08.08.2024, which the Commission's order had allowed for making payment. According to him, apart from that period, LPS would remain payable until the date of actual payment, i.e., 01.03.2025. He clarified, however, that OCBTL did not concede even the exclusion of the said 45-day period.

He further submitted that LPS serves two purposes. It deters delayed payment, and it compensates the payee for being deprived of amounts legitimately due to it, particularly in view of the payee's obligations towards debt servicing, return on equity and working capital. He contended that interest ordinarily continues to accrue until actual payment, unless its accrual is specifically curtailed.

Learned Counsel also contended that OCBTL could not be prejudiced by the Commission's order, since an act of the Court shall prejudice no one. According to him, the Commission's earlier order did not extinguish OCBTL's entitlement to LPS. On the contrary, it expressly directed payment of transmission charges along with LPS.

He further submitted that the Petitioner could not approbate and reprobate by accepting the applicability of the TSA for determining the rate and liability

towards LPS while seeking to artificially bifurcate the period for which such LPS was payable. He also submitted that, as regards appropriation of payments, in the absence of an agreement to the contrary, payments are first liable to be appropriated towards interest and thereafter towards the principal amount. In this regard, reliance was placed upon judgments of the CERC and the Hon'ble Supreme Court.

He further referred to the stand taken by the Petitioner in the proceedings before APTEL, wherein it had been contended that payment of monthly transmission charges along with LPS was required only for the period from 10.06.2022 to 26.04.2023.

83. Learned Counsel for the Petitioner submitted that if the TSA is to be relied upon for determining LPS, the provisions thereof relating to raising of invoices and the corresponding timeline for payment would also have to be applied. He reiterated that no invoice had been raised upon the Petitioner for the relevant period and that the invoices were earlier raised upon UPPCL. According to him, invoices upon the Petitioner were raised only pursuant to the Commission's order dated 24.06.2024, with the final/revised invoices being raised subsequently in September 2024. Therefore, the Petitioner could not retrospectively be saddled with LPS for a period during which no invoice had been raised upon it.

84. Learned Counsel for OCBTL clarified that invoices had earlier been raised on UPPCL. After the Commission held the Petitioner herein to be the defaulting entity, invoices were raised on the Petitioner.

Written submission(s) by the parties

85. Subsequent to the hearing, Parties submitted their written submission, which have not been repeated for the sake of brevity while summarizing in subsequent paras considering the information already on record and being captured herein above.

The Petitioner (UPPTCL) Written Submission dated 23.10.2026

86. UPPTCL submitted that the dispute between the parties concerns the payability of LPS for the period from 26.04.2023 till 08.08.2024. It submitted that the entitlement of OCBTL to LPS till the date of actual payment is not in dispute.

However, since the Commission had itself granted a period of 45 days from the date of the Order dated 24.06.2024 for making payment, UPPTCL contended that the LPS clock could run only after expiry of the said period, i.e., after 08.08.2024. UPPTCL accordingly summarized its stand regarding applicability of LPS as under:

Sr. No.	Date/Period	Event	LPS as per OCBTL	LPS as per UPPTCL
1	10.06.2022	Date of deemed commissioning of Element-9 of LOT-II	LPS applicable	
2	10.06.2022 to 26.04.2023	Intervening period; Default of UPPTCL as per the Commission's Order		LPS applicable
3	26.04.2023	Date of commissioning of bays by UPPTCL		
4	26.04.2023 to 24.06.2024	Default of UPPTCL ended; UPPTCL not a defaulting entity		LPS not applicable
5	24.06.2024	Date of Order in Petition No. 1920 of 2022		
6	24.06.2024 to 08.08.2024	Grace Period provided in Judgement in Petition No. 1920 of 2022		
7	08.08.2024	Date of end of Grace Period as per Judgment in Petition No. 1920 of 2022		
8	08.08.2024 to 01.03.2025	Intervening period till actual payment		LPS applicable
9	01.03.2025	Date of payment		

87. UPPTCL submitted that the disputed period between the parties is from 26.04.2023, when its default stood cured, till 08.08.2024, being the end of the payment period granted under the Commission's Order dated 24.06.2024.

Respondent No.1 (OCBTL) Written Submission dated 28.10.2026

88. OCBTL submitted that paragraph 348 of the Order dated 24.06.2024 determines the period for which UPPTCL, being the defaulting entity, was required to bear OCBTL's transmission charges instead of the LTTCs. According to OCBTL, the expression "till the date of commissioning of downstream terminal bays" fixes the period of transmission charges attributable to UPPTCL, i.e., from 10.06.2022 to 26.04.2023, and does not prescribe a terminal date for accrual of LPS on such

transmission charges if they remain unpaid.

89. According to OCBTL, the words "along with LPS" appearing in paragraph 348 have to be given their ordinary meaning. LPS is a consequence of non-payment of transmission charges by the due date and continues so long as the amount remains unpaid. Further, commissioning of the downstream terminal bays on 26.04.2023 only marked the end of UPPTCL's liability for the underlying transmission charges and did not amount to discharge of those charges.

LPS under Article 10.8.1 of the TSA accrues from the Due Date until the amount due is actually received

90. OCBTL submitted that the LPS awarded under paragraph 348 is the LPS contemplated under Article 10.8.1 of the TSA. Referring to the definition of "Due Date" and Article 10.8.1, OCBTL submitted that LPS accrues from the Due Date until the amount due is actually received by the payee and that the TSA does not provide for suspension, interruption or exclusion of an intervening period.

UPPTCL has itself admitted that LPS accrues till the actual date of payment, and its own computation runs LPS beyond 26.04.2023

91. OCBTL contended that UPPTCL has taken inconsistent positions. While its pleaded case is that LPS stops on 26.04.2023, the computation relied upon by UPPTCL includes LPS for the period after 08.08.2024 till the alleged actual payment date. According to OCBTL, UPPTCL's own computation therefore accepts that LPS does not necessarily cease on 26.04.2023 and the real dispute is whether the intervening period from 27.04.2023 to 08.08.2024 can be excluded.

There is no "grace period" on LPS in the Order dated 24.06.2024

92. OCBTL specifically disputed UPPTCL's contention that the forty-five-day period stipulated in paragraph 348 constituted a "grace period" during which LPS stood suspended. According to OCBTL, the direction requiring payment within forty-five days from the date of the Order was only a compliance timeline for payment of arrears which had already fallen due and could not be construed as a waiver, suspension or moratorium on LPS already accrued or continuing to accrue.

93. OCBTL submitted that the Order dated 24.06.2024 nowhere states that LPS

would not run during the said forty-five-day period and that reading such a moratorium into the payment timeline would amount to rewriting the Order.

94. In this regard, OCBTL relied upon *Central Bank of India v. Ravindra*, reported in (2002) 1 SCC 367, wherein the Hon'ble Supreme Court observed that interest may be made to stop running either upon payment or on such earlier date as the Court thinks fit. OCBTL submitted that no specific direction curtailing the accrual of LPS was passed in the present case and, therefore, LPS continued until actual payment.

The defaulter steps into the shoes of the LTTCs and bears all consequences of delay in payment

95. OCBTL submitted that under the Defaulter Liability Principle, UPPTCL stepped into the shoes of the LTTCs for the period from 10.06.2022 to 26.04.2023 and became liable not merely for the underlying transmission charges but also for the consequences of delayed payment thereof. According to OCBTL, had the LTTCs remained liable for such charges, LPS would have continued till payment and UPPTCL, being the defaulting entity, could not be placed in a better position.

Commission View

96. The Petitioner, Uttar Pradesh Power Transmission Corporation Limited (UPPTCL), is a Transmission Licensee under Section 2(72) of the Electricity Act, 2003 and the State Transmission Utility for the State of Uttar Pradesh notified under Section 39(1) of the Electricity Act, 2003. The Petitioner has filed the present Petition seeking refund of an amount of Rs. 7,16,56,937/-, along with applicable interest, stated to have been recovered in excess by Obra-C Badaun Transmission Limited (OCBTL) towards Late Payment Surcharge (LPS) pursuant to the Order dated 24.06.2024 passed by the Commission in Petition No. 1920 of 2022 and the Judgment dated 28.02.2025 passed by the Hon'ble APTEL in Appeal No. 369 of 2024.

97. It is pertinent to note that the issues relating to deemed commissioning of Element-9 of LOT-2, non-availability of the downstream terminal bays at 400 kV Jaunpur Substation and the liability arising therefrom were examined by the Commission in Petition No. 1920 of 2022. Vide Order dated 24.06.2024, the Commission held UPPTCL to be the defaulting entity and directed it to pay

transmission charges along with LPS from the date of deemed commissioning of Element-9 of LOT-2 untill the commissioning of the downstream terminal bays. The Commission further directed that, after the commissioning of the downstream terminal bays, the LTTCs would be liable to pay transmission charges in accordance with the TSA. It also prescribed timelines for raising bills and making payment. The aforesaid findings were upheld by the Hon'ble APTEL vide Judgment dated 28.02.2025 in Appeal No. 369 of 2024.

98. The Commission has carefully examined the pleadings of the parties, the submissions made during the proceedings, the Order dated 24.06.2024 passed in Petition No. 1920 of 2022, the Judgment dated 28.02.2025 passed by the Hon'ble APTEL in Appeal No. 369 of 2024 and the material placed on record.

99. The issue for consideration before us, therefore, is whether UPPTCL is liable to pay LPS on the transmission charges for Element-9 of LOT-2 that had accrued up to 26.04.2023, the date on which its default was cured, for the period from 26.04.2023 to 08.08.2024, the date on which the 45-day payment period under the Commission's Order dated 24.06.2024 expired?

100. The Commission now proceeds to examine this issue. UPPTCL has contended that paragraphs 348 and 383(c) of the Order dated 24.06.2024 restricted its liability for transmission charges, along with LPS, to the period from the deemed commissioning of Element-9 of LOT-2 on 10.06.2022 until the commissioning of the downstream terminal bays at the 400 kV Jaunpur Substation on 26.04.2023. Once the bays were commissioned, its default stood cured and the liability for transmission charges shifted to the LTTCs under the TSA. Therefore, UPPTCL has argued that no LPS should be levied on the transmission charges accrued up to 26.04.2023 for the period from 26.04.20230 (the date on which its default was cured) to 08.08.2024 (the date on which the 45-day payment period under the Commission's Order dated 24.06.2024 expired). Further, there is no dispute regarding the period after the expiry of the 45-day payment period, i.e., from 08.08.2024 until the date of actual payment by UPPTCL.

101. OCBTL, on the other hand, has contended that the liability of UPPTCL towards transmission charges along with LPS had already been determined by the Commission in Petition No. 1920 of 2022 and the said determination was

subsequently upheld by the Hon'ble APTEL. According to OCBTL, LPS is compensatory in nature and continues to accrue on the outstanding amount till the date of actual payment. OCBTL has accordingly contended that the commissioning of the downstream terminal bays on 26.04.2023 only determined the period for which the underlying transmission charges were attributable to UPPTCL and did not extinguish the consequences arising from non-payment of the amount so determined.

102. In order to deal with the aforesaid issue, it is necessary to first examine the findings and directions contained in the Order dated 24.06.2024 passed by the Commission in Petition No. 1920 of 2022, since the disputed LPS liability, which is the subject matter of the present proceedings, arises from that Order. While determining the liability of UPPTCL, the Commission had held as under:

> *"348. Considering above, the Commission decides that UPPTCL is the defaulting entity in this case, due to which system developed through TBCB route cannot be put to use and accordingly,* ***it is liable to pay the transmission charges along with LPS*** *from the date of deemed Commissioning upheld by the Commission of Element 9 of LOT-2 till the date of commissioning of downstream terminal bays by UPPTCL at 400 kV Jaunpur substation. After downstream terminal bays are commissioned, LTTCs shall be liable to pay transmission charges as per the TSA.* ***Accordingly, The Petitioner shall raise bills within 15 days in accordance with above directions, UPPTCL and LTTCs as the case may be shall make the payment of the same within forty five days from the date of this order.****"*

103. From above Order, it is clear that UPPTCL was liable to pay **the transmission charges along with LPS** from the date of deemed Commissioning of Element-9 of LOT-2, as upheld by the Commission, until the commissioning of the downstream terminal bays at the 400 kV Jaunpur Substation, on 26.04.2023 i.e. the date on which its default was cured. Further, OCBTL was required to raise bills within 15 days, and UPPTCL was required to make payment within 45 days from the date of the Order.

104. Pursuant to the award of LPS in the Order dated 24.06.2024, such LPS operates

in terms of the TSA. This reflects a standard and fundamental commercial principle: a surcharge or interest on delayed payment continues to run until the date of actual payment. Once an amount has fallen due and remains unpaid, LPS continues to accrue on it until it is paid. However, the only period for which exemption of LPS can be claimed by UPPTCL is for 45 days period governed in terms of Order dated 24.06.2024. The scheme of the TSA itself recognizes that LPS is not attracted immediately when an amount becomes payable. Under Article 10.8.1, an amount attracts LPS only if it remains unpaid for thirty (30) days after the Due Date. The Order dated 24.06.2024 followed a similar billing-and-payment mechanism. OCBTL was directed to raise bills within 15 days from the date of the Order, and UPPTCL, was directed to make payment within 45 days from the date of the Order. It corresponds, in substance, to the period that the TSA itself allows between the raising of a bill and the attraction of LPS.

105. Accordingly, the Commission holds that UPPTCL shall be entitled to relief from Late Payment Surcharge (LPS) under Article 10.8 of the TSA for a maximum period of forty-five (45) days, being the period allowed for payment under the Order dated 24.06.2024, on the transmission charges of Element-9 of LOT-2 for the period from 10.06.2022 to 26.04.2023.

106. Hence, the Petition along with any pending IA stands disposed of.

(Griesh Kumar Vaish)
Member (Law)

(Sanjay Kumar Singh)
Member

(Arvind Kumar)
Chairman

Place: Lucknow
Dated: 16 .11.2026